



**Urban Renewal Agency Work Session Minutes  
Site B Redevelopment Proposal**

**Monday, May 11, 2020  
6:00 p.m., Community Auditorium**

***Minutes are unofficial until approved by the Urban Renewal Agency.  
Urban Renewal Agency approved minutes as presented June 22, 2020.***

**1. CALLED TO ORDER AND ROLL CALL:**

Peter Truax, Urban Renewal Agency (URA) Director Chair, called the URA work session to order at 6:00 p.m. via Webex Video Conference.

**COVID-19:** Due to the emergency declaration resulting from COVID-19 (Coronavirus disease) and protocols, the URA Board limited in-person contact and social distancing. **The Board conducted the URA work session remotely by video conferencing.** The meeting was remotely video conferenced by Fire Chief Kinkade and City Recorder Ruggles and televised live from the projector screen at the Community Auditorium by Tualatin Valley Community Television (TVCTV) Government Access Programming LIVE Channel 30 and Live Streamed on MACC TVCTV YouTube Channel 30. The public was allowed to attend and observe in the Community Auditorium as space allowed (no more than 10 persons total at one time).

**ROLL CALL: URA DIRECTORS PRESENT ATTENDED BY WEBEX**

**REMOTELY:** Kristy Kottkey; Timothy Rippe; Elena Uhing; Mariana Valenzuela; Adolph "Val" Valfre; Malynda Wenzl, Vice Chair; and Peter Truax, Chair.

**STAFF PRESENT ATTENDED BY WEBEX REMOTELY:** Jesse VanderZanden, City Manager (Webex remotely); Paul Downey, Administrative Services Director (Webex remotely); Bryan Pohl, Community Development Director (Webex remotely); Jeff King, Economic Development Manager (Webex remotely); Michael Kinkade, Fire Chief (in the Community Auditorium); and Anna Ruggles, City Recorder (in the Community Auditorium).

**2. WORK SESSION: SITE B REDEVELOPMENT PROPOSAL**

Pohl, Downey and VanderZanden facilitated the work session, noting the purpose of the work session was to consider a proposal for Redevelopment of Agency-owned Site B (Times-Litho), a 0.96-acre site located in downtown at the corner of Pacific Avenue and B Street, west of Jesse Quinn development, and next steps, which is consistent with URA Action Plans 1.1, 3.1, 4.5, 4.6 and 5.1, to consider "disposition alternatives for Site B." The URA Board held work sessions on November 25,

2019, and January 27, 2020, and reached consensus on the objectives contained in the Request for Proposals (RFP). Downey reported the RFP was widely advertised for two months and all parties who expressed prior interest in Site B were sent a notice, noting one proposal was received, which staff reviewed and found it qualified for consideration by the Urban Renewal Advisory Committee (URAC) and URA Board. Downey reported the proposal was submitted by the President of WelshCORP, managing member of MFF Properties, LLC, and Chief Executive Officer of Fresh Foods. Pohl and Downey presented a PowerPoint presentation overview of the proposal and verbatim excerpts from proposal, noting Fresh Foods is a family-owned, veteran-run, full-service grocery store specializing in natural, organic, gluten-free, vegan and environmentally-friendly products, as well as traditional favorites, and one of the few grocery stores in the State to act as a Liquor Agent for the Oregon Liquor Control Commission. Established in 1997, Fresh Foods has grown from a single store with \$600,000 in annual sales to two locations (Manzanita and Cannon Beach) with over \$12,000,000 in sales. Fresh Foods employees 55 people with steady, year-around jobs. Pohl and Downey referenced slides showing the project and building highlights, noting Fresh Foods is looking to take their brand eastward to Washington and Yamhill counties as they have been approached by multiple municipalities. Pohl advised the URAC considered the proposal at its meeting of May 7, 2020, and recommended the URA Board accept the proposal. In addition, staff advised the URA Board may:

- Option 1: Reject proposal and re-advertise. If the URA Board rejects the proposal, provide input on what criteria would change for the new solicitation.
- Option 2: Accept proposal and authorize staff to begin negotiating an Exclusive Negotiating Agreement (ENA). The ENA would:
  - (1) Authorize exclusive negotiations with the proposer. The means no other proposals will be considered while the ENA is in effect.
  - (2) Address pre-development assistance, studies, access, insurance, and base development criteria, i.e., parking.
  - (3) Once negotiated, the ENA requires the URA Board approval by resolution.

URA Board Discussion:

Director Chair Truax opened the floor and roundtable discussion ensued pertaining to the proposal received and the vision and project redevelopment objectives identified in the RFP for Site B and the desire of incorporating an affordable housing element. Pohl and Downey addressed the above-noted affordable housing element, noting Fresh Food does not have experience with including affordable housing but is working to contract out the housing element of the proposal. The proposal includes housing units (12 – 900 sq/ft Housing units overhead that will be in the affordable scale with one unit reserved for business use). If housing is included, at least 30% of the units must be affordable for households earning no more than 60% of Washington County's median household income. In response to the type of funding incentives that the URA or City may need to provide, Downey advised once all the

requirements of the ENA have been satisfied, staff will seek URA Board consensus to negotiate a Disposition and Development Agreement (DDA), which spells out the terms and conditions under which the property is disposed of, the project is constructed, and any URA or City assistance is provided. Downey added the DDA requires a Public Hearing and URA Board approval. If City assistance is provided, the DDA would also require Council approval. VanderZanden advised staff will hold work sessions during the DDA negotiations to assure project goals and objectives are met, noting the DDA normally takes 4-6 months. In conclusion of the above-noted discussion, the URA Board collectively concurred to proceed with Option 2: Accept proposal and authorize staff to begin negotiating an Exclusive Negotiating Agreement (ENA), to which VanderZanden advised staff will hold a joint work session with the URAC and URA Board prior to scheduling the ENA for URA Board approval.

The URA Board took no formal action nor made any formal decisions during the work session.

**3. ADJOURNMENT:**

Director Chair Truax adjourned the URA work session meeting at 6:35 p.m.

Respectfully submitted,



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Anna D. Ruggles, CMC, City Recorder